TENNESSEE GENERAL ASSEMBLY FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 2150 - SB 2403

February 18, 2022

SUMMARY OF BILL: Authorizes, rather than requires, the Megasite Authority of West Tennessee (MAWT) to provide water and wastewater services to customers located on the megasite property. Provides that the MAWT is not responsible for providing water and wastewater service to a college of applied technology (TCAT) established on the megasite.

FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- Public Chapter 1 (PC 1) of the Second Extraordinary Session of the 112th General Assembly established water and wastewater services within the MAWT and authorized the MAWT to enlist a third-party contractor to fulfill these water and wastewater obligations.
- Due to PC 1 requiring the MAWT to provide water and wastewater services, contracted services for operation and maintenance of the facilities were funded for \$350,000 for FY22-23 and subsequent years.
- The proposed legislation would authorize rather than require the MAWT to provide water and wastewater services. It is assumed that this change will not significantly impact the provision of such services by MAWT; therefore, any fiscal impact to state or local government resulting from the legislation is estimated to be not significant.
- Public Chapter 2 of the Second Extraordinary Session of the 112th General Assembly appropriated \$40,000,000 to the Tennessee Board of Regents for the construction of a TCAT on the megasite property.
- According to information provided by the Governor's office, the \$40,000,000 appropriation was intended to cover all costs for the TCAT, including water and wastewater utilities. The proposed legislation will allow the TCAT to construct or obtain independent water and wastewater utilities with no need for additional funding.
- Providing that the MAWT is not responsible for providing water and wastewater service to a TCAT established on the megasite is not estimated to result in any significant impact to state or local government.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

Krista Lee Carsner, Executive Director

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